

An Overview of Wells County's 2010 Annual Trending May 25, 2010

The following steps were taken to conduct the 2010 annual trending in Wells County:

Step 1: Calculation of New Land Values

New land values were calculated for 2008. For residential property, land values were held constant for 2009 and 2010. For commercial and industrial properties, land values generally stayed consistent between January 1, 2006 and March 1, 2010, and no updates were implemented.

Step 2: Calculation of New Residential Factors & Residential Studies

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential properties at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new neighborhood factor. As such, when the preliminary ratio study indicated that the majority of parcels in residential classes still were within assessment level and uniformity standards, those assessments were not changed.

Step 3: Updated Commercial & Industrial Improvement Values

Nexus Group 2010 cost tables were implemented in Wells County for 2010 trending. These costs are essentially our 2008 costs with 4 exceptions which include: dining lounges, mobile home parks, banks, and special use commercial properties. These 4 property types experienced a positive change in value. Additionally, the depreciation year was also updated to 3/1/2010. This depreciation change resulted in value changes for commercial and industrial parcels that are not maximized on depreciation at 80%. Additionally, reassessment and other field work have potentially changed the value of individual parcels.

****Please note that the period of time from which sales were used for this ratio study was from 1/1/2009 to 2/28/2010. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for industrial property classes in Wells County, even going back to 2002, no additional sales data was yielded. Additionally, the ratio study file contains a list of all valid sales that upon further review were found to actually be invalid. These sales are located at the bottom of each worksheet tab for each property class type. Sales outside of the 14 month time period were time adjusted using the Federal Housing Finance Authority's November 24, 2009 memorandum on house price appreciation/depreciation. This document can be accessed via the internet at <http://www.fhfa.gov/webfiles/15232/3q09HPI.pdf>.**